GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:484
ANSWERED ON:06.02.2017
Laying of Natural Gas Pipelines
Panda Shri Baijayant "Jay"

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Petroleum and Natural Gas Regulatory Board has granted permission, to GAIL for laying and expanding natural gas pipeline along the Surat-Paradeep route and if so, the details thereof along with the progress made in this regard, so far;
(b) the status of the expression of interest made by H-Energy Private Limited for laying and operating natural gas pipeline on the Contai-Paradeep-Dattapulia route;
(c) whether the Government has noticed that lack of availability of natural gas pipeline infrastructure in Odisha is affecting the ability to establish CNG stations as a measure against vehicular pollution and if so, the details thereof; and
(d) the concrete steps taken by the Government to ensure the availability of natural gas, pipeline infrastructure and establishment of CNG stations in Odisha in a time-bound manner?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a): Yes Madam, Petroleum and Natural Gas Regulatory Board (PNGRB) authorized GAIL to develop the Surat-Paradeep natural gas pipeline of 2112 kms on 25.4.2012. The capacity in the natural gas pipeline is 74.81 Million Standard Cubic Meters per Day (MMSCMD) and the estimated project is Rs. 10,280 Cr. The details of progress made so far is Annexed.
(b): On scrutiny of Expression of Interest (EOI) submitted by H-Energy Private Limited, PNGRB observed that though the bidder had secured highest composite score as per bidding parameters but the tariff bid quoted by the entity was leading to negative cash flows during the prescribed project life of 25 years. Accordingly, the bidding process has been annulled by PNGRB.
(c) & (d): Yes. In year 2007, Petroleum & Natural Gas Regulatory Board (PNGRB) was established under the PNGRB Act, 2006. Under the Act, PNGRB grants authorization to the
entities for developing a City Gas Distribution (CGD) network in the specified Geographical Area (GA) of the country through a bidding process. PNGRB has envisaged a phased roll out plan for development of CGD networks in several GAs in various part of the country including Odisha. Keeping in view the availability of Coal Bed Methane (CBM) in Odisha and development of Jagdishpur-Haldia/Bokaro-Dhamra Pipeline (JHBDPL) with 40% grant i,e. Rs.5176 crore by Government of India and Surat Paradip natural gas pipeline passing through Odisha, PNGRB has identified 16 Geographical Areas (GAs) for development of City or local Gas Distribution (CGD) Networks in the State of Odisha.
ANNEXURE REFERRED IN REPLY TO PART (a) OF LOK SABHA UNSTARRED QUESTION NO. 484 ANSWERED ON 6.02.2017
Status of progress made so far development of Surat-Paradip Natural Gas Pipeline
? Immediately upon receiving GoA from PNGRB, liaising Office established at Nagpur. GAIL Team met statutory authorities and State Administrations, requesting support for smooth execution of Project.
? Applications submitted for long lead Permissions like Forest, Railways etc.
? Heads on Agreement signed with various Customers for 54 MMSCMD (Major customers: Torrent Power, Orissa Power Corp., Kribhco − Hazira, FCI-Talcher, MahaGenco & Neco − Nagpur, SAIL-Bhilai, IOCL-Paradip, GAIL Gas etc.).
? Agreement signed with ONGC on 21.07.2012 for gas supplies.
? Expression of Interest published on 19.11.2012 & 28.04.2014 in various News Papers for capacity booking.
? Long-Term RLNG sourced from Cheniere / Gazprom (availability from 2017).
? Detailed Route Survey carried out for Paradip / Dhamra − Angul − Deori section with spurlines to Bhubaneswar, Talcher, Balaghat (~ 1000 Km).
In spite of GAIL's initial engagement, project had to be kept on hold due to:
? Lack of firm tie-ups with anchor load customers & no demand take off.
? Consideration of Coal gasification instead of Natural gas for FCIL-Talcher.
? Delay in development of ONGC-Mahanadi Gas Filed & delay in execution of Mallavaram-Bhilwara Pipeline i.e. no domestic gas source.
? No LNG Regasification Terminals in East Coast & non-availability of capacity at Shell - Hazira LNG Terminal.
GAIL has been advised to implement Angul − Dhamra / Paradip as part of Jagdishpur − Haldia Pipeline Project for which GAIL has submitted a revised proposal to PNGRB for revising completion schedule upto Jan'20.
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